

2005-2006 PERFORMANCE PLAN – CHIEF ACTUARY

Qualitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule	3rd Quarter Status Report
20%	Actuarial Service Level Expectations	<ul style="list-style-type: none"> For public agencies, complete all contract amendment cost analyses that do not require participant data changes within an average of 30 days. For State and Schools, complete all legislative cost analyses within the periods required by GOVA. Complete all Option 4 and subrogation requests within time periods established by the service level agreement with the Benefits branch. By October 31, 2005, mail 100% of all public agency 6/30/2004 annual actuarial valuation reports containing employer rates for the fiscal year 2006-07. By April 30, 2006, complete the annual actuarial valuations for the 1959 Survivor program, the Volunteer Firefighters Length of Service Award System, the Legislators Retirement System, and the Judges Retirement Systems I and II. By April 30, 2006, complete the calculation of the State employer contribution rates for the fiscal year 2006-2007. By April 30, 2006, complete the calculation of the School employer contribution rate for the fiscal year 2006-2007. 	From schedule	<p>Behind schedule: During the first three quarters of the fiscal year, 257 public agency amendment cost analyses were processed in an average of 36 days.</p> <p>On schedule: All legislative cost analyses have been produced on schedule.</p> <p>On schedule: All Option 4 and subrogation requests have been produced on schedule.</p> <p>Completed on schedule: All public agency reports were mailed by October 31, 2005.</p> <p>Some On schedule, others behind schedule: The Volunteer Firefighters Annual Report as well as Judges I and Judges II are on schedule for the April BPAC. The 1959 Survivor Annual Valuation has been delayed until May due to additional work required on another special project. The Legislator's system report has also been delayed until May due to required further analysis of that system's benefit structure.</p> <p>On schedule: All work is progressing on schedule for the State and Schools May BPAC meeting.</p>
15%	Rate Stabilization Accounts	<ul style="list-style-type: none"> By December 31, 2005 complete all analysis on rate stabilization accounts, so that the Board and legislature can make an informed decision on this subject 		Completed on schedule: Analysis delivered to the Board at the December Benefits and Program Administration Committee. New methods adopted by the Board in the 3 rd quarter.

2005-2006 PERFORMANCE PLAN – CHIEF ACTUARY (Continued)

Qualitative Performance Measures (continued)

Weight	Factor	Performance Measure	Incentive Schedule	3rd Quarter Status Report
15%	CalPERS response to GASB 43 and 45 – retiree medical costs	<ul style="list-style-type: none"> Placeholder for work that may be required depending on Board's decision on this issue. 		On schedule: The Board adopted a phased approach to this subject at the November Board meeting. A project manager has been named an analysis is ongoing. State Department of Finance approved a request to increase CRS administrative costs to study next phases.
10%	Employer Education and Communication Outreach	<ul style="list-style-type: none"> By December 31, 2005, in conjunction with the Health Branch, complete and obtain DEO/CEO approval of a Strategic Employer Education and Communication Outreach Plan that envisions a strategy to improve the content of education and quantity and quality of communication in the retirement and health areas. By March 31, 2005, obtain DEO/CEO approval of a comprehensive work plan to implement the strategic direction previously approved. 		<p>Completed Behind schedule: One PY has been transferred to this project and is in place. The proposed plan is in the budget process and will be heard by Executive Staff on February 1, 2006t.</p> <p>Completed on Schedule: Approval of the program has been obtained and additional resources are included in the fiscal 2006-07 CalPERS budget.</p>
10%	CalPERS Educational Forum	By October 31, 2005, complete the 2005 Educational Forum and obtain an average satisfaction rating of 4.0 or higher on a scale of 1 to 5 of all completed attendee evaluations.		Completed: All is in place for a successful Forum in October 2005. The average satisfaction rating by attendees was in excess of 4.5%.
10%	Enterprise Wide Technology Project	<p>Pension System Resumption (PSR)</p> <ul style="list-style-type: none"> By September 30, 2005, release the Request for Proposal and complete conceptual proposal reviews.* By December 30, 2005, complete the Initial Draft Proposal Review.* By March 31, 2006 complete Final Draft Proposal Review.* By June 30, 2006 complete Final Proposal Review and vendor selection* <p>Enterprise Billing, Accounts Receivable and Collections (EMBARC)</p> <p>* Modified since original submission.</p>		<p>PSR on schedule:</p> <ul style="list-style-type: none"> Completed on Schedule Completed on schedule Completed on schedule – new scheduled completion date is March 31, 2006 On schedule for new scheduled completion date. <p>EMBARC: On schedule</p>

2005-2006 PERFORMANCE PLAN – CHIEF ACTUARY (Continued)

Qualitative Performance Measures (continued)

Weight	Factor	Performance Measure	Incentive Schedule	3rd Quarter Status Report
10%	Special Projects	Complete all unplanned tasks assigned by the Board or the Chief Executive Officer by the deadlines assigned. For example: <ul style="list-style-type: none"> ▪ DB/DC ▪ Compliance ▪ Communication and Employee Engagement ▪ New Product Development 		On schedule Major effort regarding the cost analysis of transferring a Orange County system into CalPERS. Assisted with Long Term Care Issues.
10%	Succession Planning	Continue the development of a successor to the chief actuary and future supervising actuaries and supervising actuarial assistants		On schedule: We have established and filled the position of Managing Actuary. This position functions as division chief over the Actuarial Office with the Actuarial and Employer Services Branch.
100%	Total	Qualitative Measures		

Supervisor's Approval: Original signed by Fred Buenrostro

Date: April 25, 2006